

## Re: Some notes about upcoming changes to Charitable Bingo

Hello everyone!

I hope this email finds you well and somehow surviving the brutal heat that we are still experiencing all over Texas.

The purpose of this communication is to share with you some of the upcoming changes to charitable bingo law and rules. During the 88<sup>th</sup> session of the Texas Legislature, two charitable bingo-related bills were passed and signed by the governor:

- Senate Bill 643, regarding several changes to licensing, accounting, and prize limits;
- House Bill 639, regarding temporary licenses for non-regular conductors; and

### Effective Date of the Changes

The effective date for the changes made to the Bingo Enabling Act (BEA) in the bills listed above is September 1, 2023.

### Rules and Forms

Administrative rules to implement the bills are currently scheduled to be proposed to the Commission at its October 12, 2023, meeting and to be adopted at the December 2023 meeting. The changes made to the law are self-implementing, which means they will go into effect on September 1, 2023, in the absence of the new rules.

Many of the changes also require changes to Charitable Bingo Operations Division (CBOD) forms, and we plan to release the revisions to the website on September 1, 2023.

### Some Notes About Each Bill

Here is a short summary of the changes in each bill and notes about how CBOD plans to implement those changes:

**SB 643** includes several amendments to the BEA. Here are some highlights:

- *All regular conductor license terms will be two years.* The bill does not impact current one-year licenses. All new and renewal regular conductor licenses will be issued for a two-year term, starting September 1, 2023.
- The bingo operations of a licensed organization must result in *net proceeds over the 24-month period* of the 2-year license.
- Regular conductor license holders will receive *48 temporary licenses* when the license is issued or renewed and another 48 temporary licenses on the anniversary of license issuance or renewal. Some notes about temporary licenses:
  - For those who already hold a regular conductor license on September 1, the temporary licenses will be prorated. For instance, if the license was issued on February 1, 2023, and does not expire until January 31, 2024, and 10 temporary licenses have already been used prior to September 1, 2023, 38 temporary licenses will be issued on September 1, 2023 (48-10=38), and another 48 temporary licenses will be issued on

February 1, 2024, after organization renews its license. Unused temporary licenses will expire one year after they are issued and may not be carried over into the next year.

- FORMID 16 - Temporary Bingo Occasion Application for Regular Organization and FORMID 17 - Temporary-On-Demand Occasion Application for Regular Organization are no longer necessary and will be removed from the Bingo Service Portal (BSP) and the website.
- A licensed organization must submit FORMID 18 - Notification for Temporary Bingo Occasions for Regular License Organization prior to conducting a temporary occasion. License status must be active during all occasions conducted.
- CBOD may not issue temporary licenses to an organization that is in administrative hold, has not timely filed their most recent quarterly report, is not current on prize fee payments, or has not distributed proceeds as required.
- The number of available temporary licenses can be found in the BSP.
- Licensed organizations that are members of an accounting unit must deposit into the unit's bingo account all funds derived from the conduct of bingo, less the amount awarded as cash prizes, *no later than the third business day after the bingo occasion*.
- *The prize limit* for a bingo occasion has been increased to \$5,000, and the \$750 prize limit for a single game has been repealed.
- Other changes to the BEA, including language about *prize fee allocations* and *premise requirements*, serve for clarification only and do not require any changes on the part of the license holders or the CBOD.

**HB 639** changes the number of *temporary licenses a non-regular license holder* may be issued in a calendar year from six to twelve.

I hope you find this information helpful. CBOD staff has been working hard all summer to make these changes as seamless as possible for the regulated community. If you have any questions or concerns about how any of these bills impact your license, please contact the division by calling 1-800-BINGO-77 or by sending an email to [Bingo.Services@lottery.state.tx.us](mailto:Bingo.Services@lottery.state.tx.us).

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